



STATE OF WEST VIRGINIA
OFFICE OF THE ATTORNEY GENERAL
DARRELL V. MCGRAW, JR.
CONSUMER PROTECTION DIVISION
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Press Release

FOR IMMEDIATE RELEASE

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Attorney General McGraw Reaches Settles with Brady and Caruso; Consumers Receive \$290,000 in Cancelled Debt.

Attorney General Darrell McGraw today announced that his office has entered into a settlement agreement with Brady and Caruso which will provide \$9287.87 in refunds and \$282,953.84 in debt cancellation for approximately 174 West Virginia consumers. Brady and Caruso, LLC, doing business as Brady, Caruso, and Associates, LLC, is a Nevada limited liability corporation that collects debts from its headquarters in Amherst, New York.

The Attorney General's investigation was prompted by a complaint that a consumer received a collection call from Brady and Caruso but was not able to dispute the debt or determine whether she owed it because the collector could not verify the debt that she allegedly owed. Under federal law, debt collectors are required to send consumers a written notice within five days of their initial contact. The notice is required to provide the amount of the debt and the name of the creditor to whom the debt is owed. The consumer has 30 days from the date of this notice to dispute the debt in writing. If the consumer disputes the debt, the debt collector is required to provide verification of the debt, including the name of the original creditor, or a copy of the judgment. If the collector cannot provide such verification, it must stop all collection efforts. The Attorney General's investigation of Brady and Caruso also revealed that it was not registered or bonded to collect debts in West Virginia.

The consumer also complained that the debt collector threatened to place a lien against her property if she did not pay the debt. Under West Virginia law, liens may not be placed against property unless the creditor first sues the debtor and obtains a judgment in court. West Virginia law prohibits the use of threats and coercion in debt collection and explicitly prohibits threatening that nonpayment will result in the taking of any action that requires a court order if the collector does not tell the consumer that it must obtain a court order before such action can be taken.

Under the terms of the settlement, Brady and Caruso will close all the West Virginia accounts, write those accounts down to a zero balance, take the necessary steps to delete any negative credit reporting in connection with those accounts, and refund any amounts paid on the accounts. The settlement also requires the collector not to resell the accounts. Consumers who are covered by this settlement will receive letters confirming the amount of debt cancellation and refunding any payments they made.

To file a complaint about a consumer matter or to alert the Attorney General about unfair or deceptive acts or practices call 1-800-368-8808 or go to www.wvago.gov.

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